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Tourism Activity of Member States and Romania's Place within the First Five Years after EU Accession

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Abstract

This paper is a brief statistical analysis of the evolution of tourism in the EU-27 in the first five years after Romania's accession. The analysis was based on official data published by Eurostat regarding the tourist accommodation capacity by categories, the number of arrivals and overnight stays of tourists and non-residents. I highlighted each time Romania's place within Member States, preferring graphics that are more suggestive than synthetic data tables. In conclusions I have highlighted the changes occurred in Romania, far from those expected after five years as a member of the European Union.

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1. Introduction

Tourism industry is lately one of the most dynamic sectors of the global economy and at the same time the most important generator of jobs. From an economic perspective, especially countries with significant touristic resources, tried to recover the national economy through appropriate strategies to exploit these resources. Tourism is a main way of promoting the image of a country in the right way and by offering quality services to tourists. This is a strong factor in attracting foreign revenue and balance of payments both directly through receipts from tourism, as well as indirectly by stimulating exports of goods and services. For countries that knew how to invest in tourism, this sector was beneficial for attracting labour made redundant from other sectors and in general to employ on a secure and sustainable

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market. In terms of promoting sustainable development, tourism leads to conservation and valuing the natural, cultural, historical, and architectural potential of a country. Tourism is the main mode of leisure, but also a major means of raising the standard of education and civilization.

According to the World Tourism Organization (UNWTO), tourism receipts, including international travel tourism (tourism exports) reached in 2011 about 1200 billion EUR, representing 6% of world exports of goods and services, or about 5% of global GDP. GDP share of tourism in Romania is estimated at only about 0,7%, compared to Bulgaria in which the estimate is 7,6%.

Also according to UNWTO, Europe absorbs about 45% of global revenues in tourism, and the 27 EU countries in 2011 had a share of 36,6% in global revenues achieved in tourism.

Contrary to the global economic crisis experienced by most countries, tourist activity continued to expand in recent years, reaching in 2011 at 990 million of international tourist arrivals (UNWTO), of which over 51% belong to Europe, continental best placed in this view, with an increase of 6% over the previous year.

July 2011 had a peak of almost 120 million international tourist arrivals.

Among the top ten favourite destinations in the world in 2011, judging by the number of tourist arrivals, six belong to Europe, five being from the current European Union and sixth as a candidate country (Turkey). Thus, France ranked first at arrivals of tourists (79,5 million) and number 3 in incomes, Spain is on the fourth place in arrivals (56,7 million) and second in the world with the highest incomes increase, 9% over the previous year, Italy is fifth on arrivals (46,1 million), Turkey sixth (29,3 million), United Kingdom seventh place both arrivals (29,2 million) and income and Germany eighth on arrivals in the world (28,4 million).

Given the trend of international arrivals, UNWTO has chosen 13 December 2012 as a symbolic date of the number one billion tourist arrival. According to preliminary results published by UNWTO, tourism activity continued its upward trend, reaching in 2012 at almost 1035 billion international tourist arrivals; Europe continues to be the top destination, accounting for over 50% of the total. Given these aspects, we plan to explore further development of tourism in the EU-27 in 2007-2011, highlighting Romania's position among Member States in the fifth year after accession.

2. Methodological mentions and data sources

The data on which this study is based is the official one given by the national institutes of statistics of the 27 member states, namely by Eurostat; and the methodology used is common, according to the same definitions and rules in the collection and production of statistical data.

In the analysis of tourist accommodation we used as indicators the total number of housing units and the number of seats offered to them. Structurally, both indicators were analyzed by two main categories: hotels and similar establishments and other collective accommodation establishments.

Hotels and similar establishments include, besides hotels themselves, also: hotel-type apartments, motels, hotels near the axis of the road, those located on the beach, clubs, residential homes and family pensions, tourist residences and other similar accommodation.

In the category "other collective accommodation establishments" are included: camping, youth accommodation, school or common bedrooms receiving tourists and other units of this kind.

Existing tourist accommodation capacity is expressed in number of places (beds) available, respectively the maximum number of people that could be accommodated in these units, not including additional beds that can be provided on tourists' request.

The total number of arrivals stands for the total of tourists (residents and non-residents) registered in the tourist accommodation in a period that are travelling outside the home village for less than 12 months and stay at least one night, the reason being other than work related.

Number of overnight stays is the total number of recorded nights by tourists that arrived in tourist accommodation establishments, whether they were or were not physically present in the room.

Using the last two indicators, it can be calculated the average length of stay, expressing the average number of man-days spent by a tourist in that category of tourist accommodation. All indicators are analyzed by total and also according to whether or not they were from the country of accommodation, the residents (domestic tourists) and non-residents (foreign tourists).

3. Dynamics and structure of tourist accommodation capacity

Across the EU-27 worked in 2011 a total of 472.225 units, an increase of 11,7% compared to 2007 and by 23% since 2000. Four states have a share of over 71% in total EU-27: Italy (32,6%), United Kingdom (18,1%), Germany (11,3%) and Spain (9,4%). Romania is ranked 12 in the EU-27, accounting for only 1,06% of the total union units, a decreasing share compared to the first year of EU entry when it was 1,11%. Although the total number of units in Romania increased in the five years with 6,6%, EU-27 growth was higher (+11,7%), which explains the decrease of our country.

As shown in chart no. 1, the highest dynamic in the five years was seen by Greece, which almost tripled its number of tourist accommodation units, Latvia (60,3%), Slovenia (+21,7%), Spain (+ 18,3%), Estonia (+17,7%), Italy (+17,3%), Bulgaria (15%), Luxembourg (+12,8%). In contrast, the largest decreases have been recorded as follows: Ireland (-20,8%), Cyprus (-8,6%), Malta (-6%), Slovakia (-5,1%).

From the total number of tourist accommodation units, 202.021 are represented by hotels and similar establishments, their share in total decreased in recent years from 54,1% in 2000 to 47,9% in 2007 and 42,8% in 2011. The highest shares of hotels in all accommodation units are owned by state as Malta (95,5%), Romania (92,2%), Portugal (86,1%), Cyprus (82,9%) and Bulgaria (80,2%), and at the opposite end: Italy (22,1%), Estonia (32,3%), Greece (34,6%), Ireland (43,2%), and Spain (43,4%).

The total EU-27 decreased the shares of hotels in all tourist accommodation establishments with 10,6% in the five years, while having an increase of 0,8% in other accommodation. Although in Greece increased in the five years all the types of accommodations due to the increase of 56,3 times in other accommodations, the share of hotels in total experienced a decrease of 64%.

The largest increase over time of the share of hotels was observed in Slovenia (+34,4%) and Poland (28,3%), while for the majority of States were recorded decreases, in favour of other types of accommodation. In recent years, countries with tradition in tourism, there is a greater emphasis on the creation of smaller tourist facilities, such as family hostels, that provide greater comfort and tourists' attention. For this, contributed to a higher extend, the EU funding for private entrepreneurs who mainly boosted the number of units with a lower capacity of tourist accommodation.

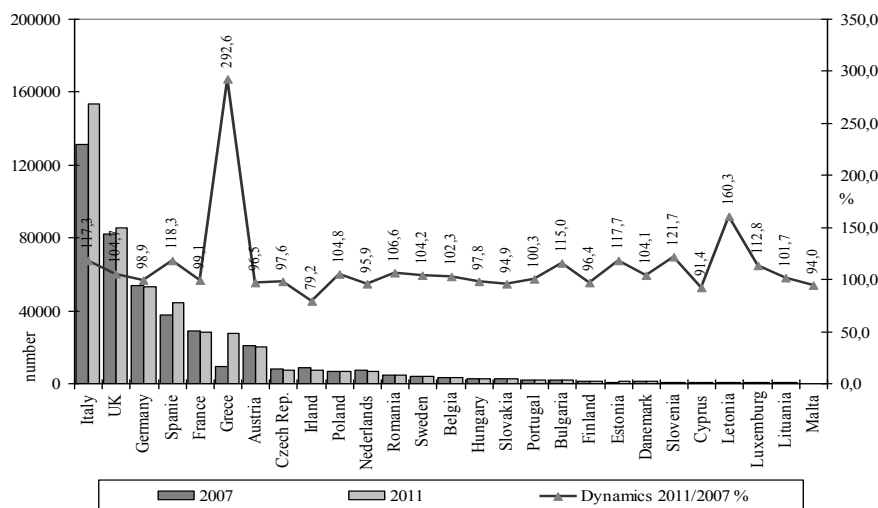


Fig. 1. The number of the accommodation establishments and their dynamics, EU-27

Source: own work based on data from Eurostat

In the box plot diagram (Figure 2) we can see the gap that exists between Member States in terms of number of accommodation. If in 2000 six states were discordant, the ratio of the country with the largest number of units (Italy)

and the lowest number (Malta) is over 470 times, this relative gap is widened over time reaching in 2007 at 790 times, and in 2011 to over 985 times.

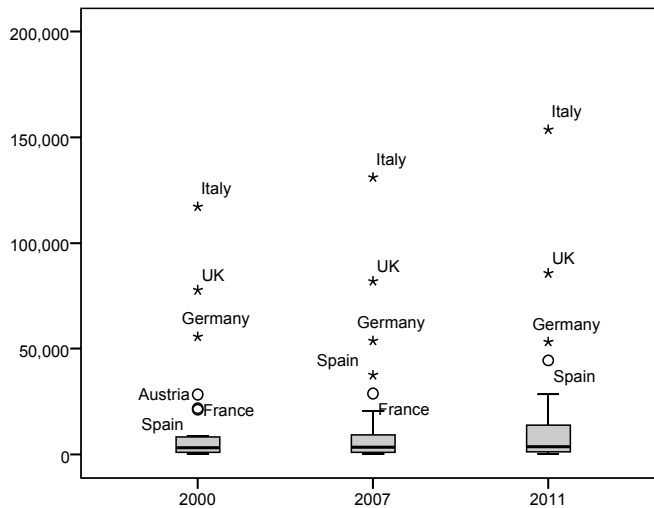


Fig. 2. Box plot for number of the accommodation establishments
Source: ownworkbased on data fromEurostat

Increasing relative gap is certainly influenced by the size of the states at the two extremes, but also on a different dynamic. Thus for example the number of accommodation units in Italy increased by 17,3% in the five years, while in Cyprus they decrease by 8,6%. For the same reason, from the box-plot diagram of 2011 are deleted two States, namely France and Austria that can be observed in 2000.

As mentioned, the largest share is held by other accommodation units, the 270.204 units in 2011 representing 57,2% of total units, recording an increase by over 25% since 2007 and over 1,53 times compared to 2000. Only two states, Italy and United Kingdom own together 61,6% of the total other accommodations of EU-27, and if we add Spain, the three countries together hold 71% of the union. A number of 16 states have shares below 1%, among them being also Romania (0,14%). Dynamics over the average in this category were recorded in Greece (56,3 times), Latvia (+76,8%), Spain (+27,6%), Italy (+23,5%), Luxembourg (+23,4%) and Estonia (+22,9%). Romania has the largest decrease, with 26,4% (-140 units).

In terms of number of beds, the rule is held here also by five states, which together had a share in 2011 of 71% of the total EU-27: France (17,9%), Italy (16,9 %), Spain (14,1%), Germany (11,9%) and United Kingdom (11,7%). Romania had only 1% of the union, and 17 states had shares between 0,1 and 1,7%.

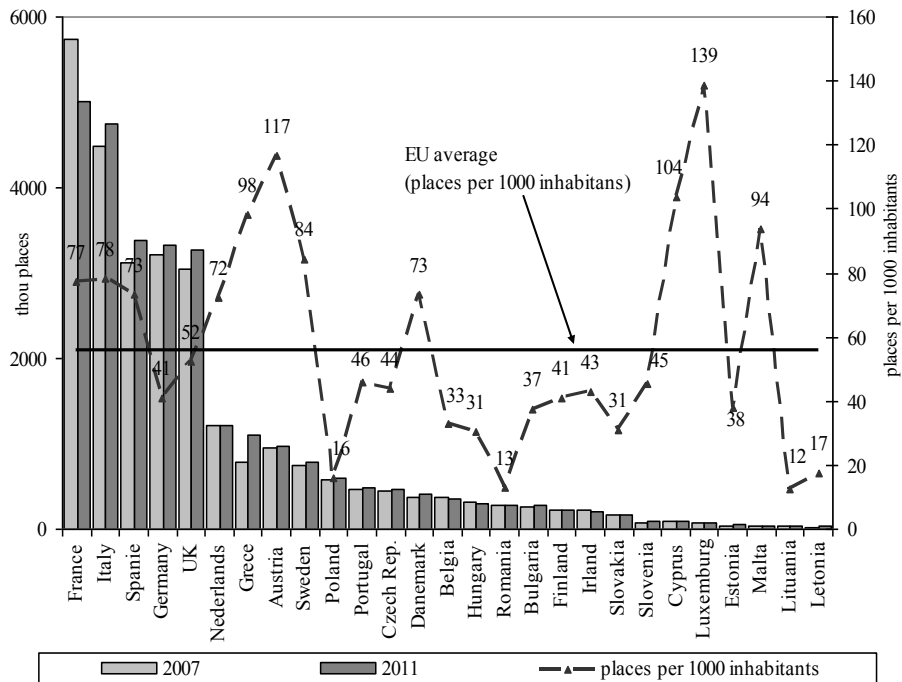


Fig.3. Total accommodation capacity (thousand persons) and the average number of places in thousand inhabitants, EU-27
Source: own work based on data from Eurostat

The order of countries in terms of total number of beds can be seen in Figure 3. On the whole Union, the accommodation capacity in all the tourist facilities was of 28.019 thousand beds in 2011 increasing by 2,3% compared to 2007 and by 20,5% since 2000. A total of 18 states have relative increases ranging from 2,2% (Czech Republic) and +40,6% (Greece), while Romania has experienced a 1,8% decrease in capacity of accommodation.

Almost 45% of the accommodation capacity is found in hotels and similar establishments, five states accounting for 67,5% of the total number of seats available in hotels of the Union (Italy, Spain, Germany, United Kingdom and France). Number of beds in hotels and similar establishments registered a positive growth in five years, +7,6% overall Union, hovering above average: Slovenia (+36,4%), Poland (+33,2%) Latvia (+28,6%), Denmark (+19,2%), Lithuania (+18,2%), United Kingdom (+13,3%), Spain and Slovakia (+11,9% each), Romania (+9,2%), Portugal (+9,1%), Greece (+9%) and Sweden (+8,7%). In contrast, a number of three States recorded decreases in the capacity in hotels and similar establishments: Cyprus (-5,7%), Malta (-5%) and France (-0,2%).

Analyzing the accommodation capacity of a country based on its size in terms of population level (Figure 3), there are highlights in the gap between the 27 member states, from 12 total beds that are on average at a thousand inhabitants (in Lithuania), up to 139‰ (in Luxembourg) and compared to an average of 56‰ for total Union. EU average increased from 55‰ in 2007 to 56‰ in 2011, a total of 11 countries being above average: Luxembourg (139‰), Austria (117‰), Cyprus (104‰), Greece (98‰), Malta (94‰), Sweden (84‰), Italy (78‰), France (77‰), Denmark and Spain (73‰ each) and Netherlands (72‰).

Given that hotels are generally larger areas of accommodation, we analyzed the average number of seats that return on average to a hotel or similar unit. This varied over time from 51 seats / hotel in 2000, 58 seats / hotel in 2007 to 62 seats / hotel in 2011.

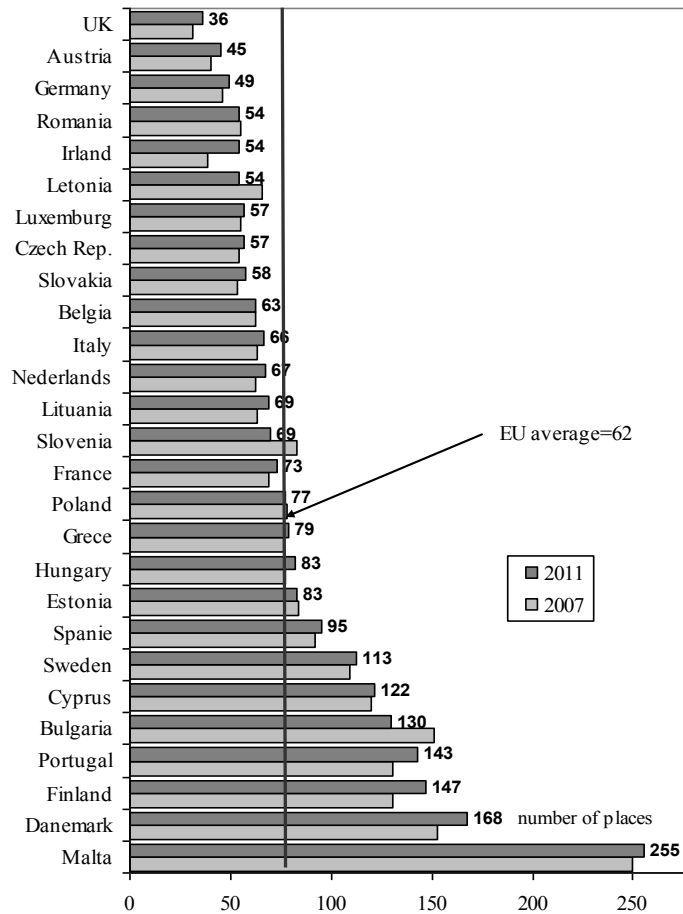


Fig. 4. The average number of beds in a hotel (thousand persons)

Source: ownworkbased on data fromEurostat

Highest average number of beds that are on average at a hotel was seen in: Malta (255, up by 5 beds / hotel from 2007), Denmark (168, an increase of 15 beds / hotel), Finland (147, an increase of 16 beds / hotel), Portugal (143, up 13 beds / hotel), Bulgaria (130, down 20 beds / hotel), Cyprus (122 with 2 beds / hotel) and Sweden (113, with 4 beds / hotel). With an average of 54 beds / hotel, Romania is in 4th place at the end of the ranking, a decrease with one bed / hotel compared to 2007. In fact only three countries recorded declines in this indicator: Latvia, Romania and Bulgaria, the latter being still in the top, front position 5.

4. Dynamics of the number of arrivals and overnight stays

In 2011, a total of nearly 786,9 million tourists arrived in all existing tourist accommodation establishments in the 27 EU countries, increasing by 31,4% since 2007. By far the most favourite tourist destinations in 2011 were: Germany (141,7 mil arrivals), France (129,8 mil arrivals), Italy (103,7 million arrivals), Spain (103,1 mil arrivals) and United Kingdom (77 million arrivals), these five countries concentrating 70,6% of total arrivals in the Union. Compared to 2007, the degree of concentration of these five States decreased slightly (-3,3%) and France reversed owned place

with Germany, and that held by Spain of Italy. Romania holds the 16th position in the overall ranking, with 7,0 million arrivals, representing only 0,9% of EU-27.

Same five states are leaders in both the arrivals of tourists and non-residents. Of total arrivals, 62,9% cover resident tourists from the country and 37,1% foreign (non-resident).

In hotels and similar establishments, arrived in 2011 a total of almost 632 million tourists, of which 62,9% residents and 37,1% non-residents. Same five States occupy the first five places, concentrating 72% of total arrivals in hotels in the EU-27: Germany (18,3%), France (17,4%), Spain (13,5%), Italy (13,1%) and United Kingdom (9,6%). Romania, with nearly 6,9 million arrivals, occupies 15th place in the hierarchy, with a share of 1,1% in the EU.

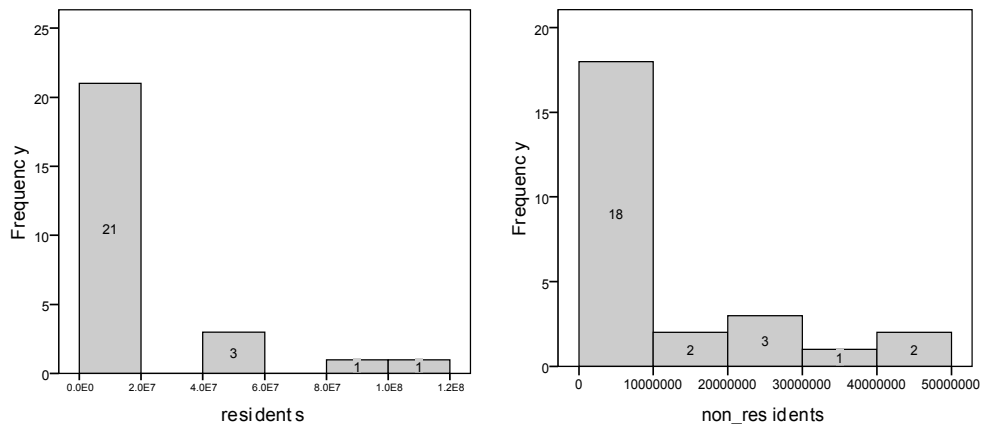


Fig. 5. Histogram of the distribution of the EU-27 States by the number of arrivals of residents and non-residents in the accommodation establishments, in 2011

Source: ownworkbased on data fromEurostat

Following the four distributions of Member States by number of arrivals of tourists and non-residents (Figure 6 and 7), one can see large differences between States in terms of absolute data. Thus for example, the total tourist accommodation establishments in arrivals of non-resident tourists have a total of 18 countries under 10 million arrivals, a number of 2 countries with arrivals between 10-20 million, 3 countries with arrivals between 20-30 million, one country with a level between 30-40 million arrivals and other 2 countries between 40-50 million.

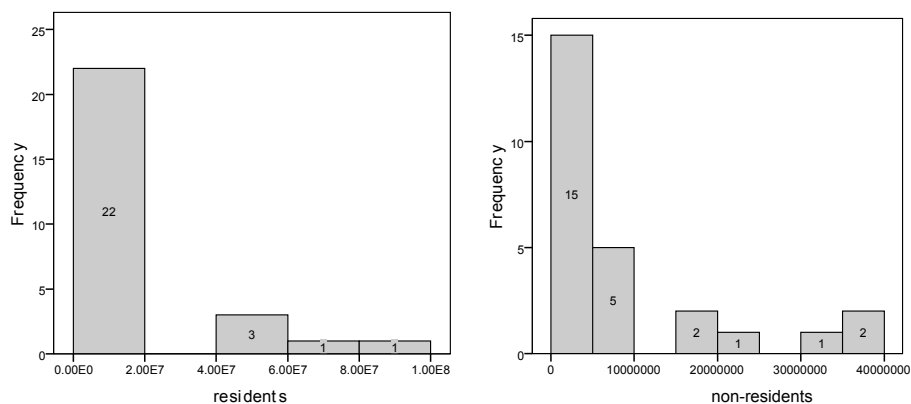


Fig. 6. Histogram of the distribution of the EU-27 States by the number of arrivals of residents and non-residents in hotels and similar establishments, in 2011

Source: own work based on data from Eurostat

For arrivals at hotels and similar establishments of non-residential tourists, in 2011 there were 15 countries with total arrivals under 5 million, other 5 countries with a number of arrivals between 5-10 million, two countries with arrivals between 10 - 20 million, one country between 20-30 million arrivals, one between 30-35 million arrivals and two others between 35-40 million arrivals.

Of total arrivals, the resident tourists were 62,9% and the non-resident ones 37,1%. Shares above 50% of non-residents of the total were recorded in the following countries: Luxembourg (95,6%), Malta (89,2%), Cyprus (78%), Estonia (71,8%), Slovenia (70%), Latvia (69,8%), Austria (65,4%), Lithuania (63,7%), Belgium (60,9%), Greece (56,6%), Hungary (52,1%), Portugal (51,8%) and Bulgaria (51,6%). Romania, with a share of non-resident tourists of 21,8% ranked 24 in the hierarchy.

Number of nights spent by tourists in tourist accommodation establishments in the EU27 reached the figure of 2.441,2 million nights, up by 5,5% compared to 2007.

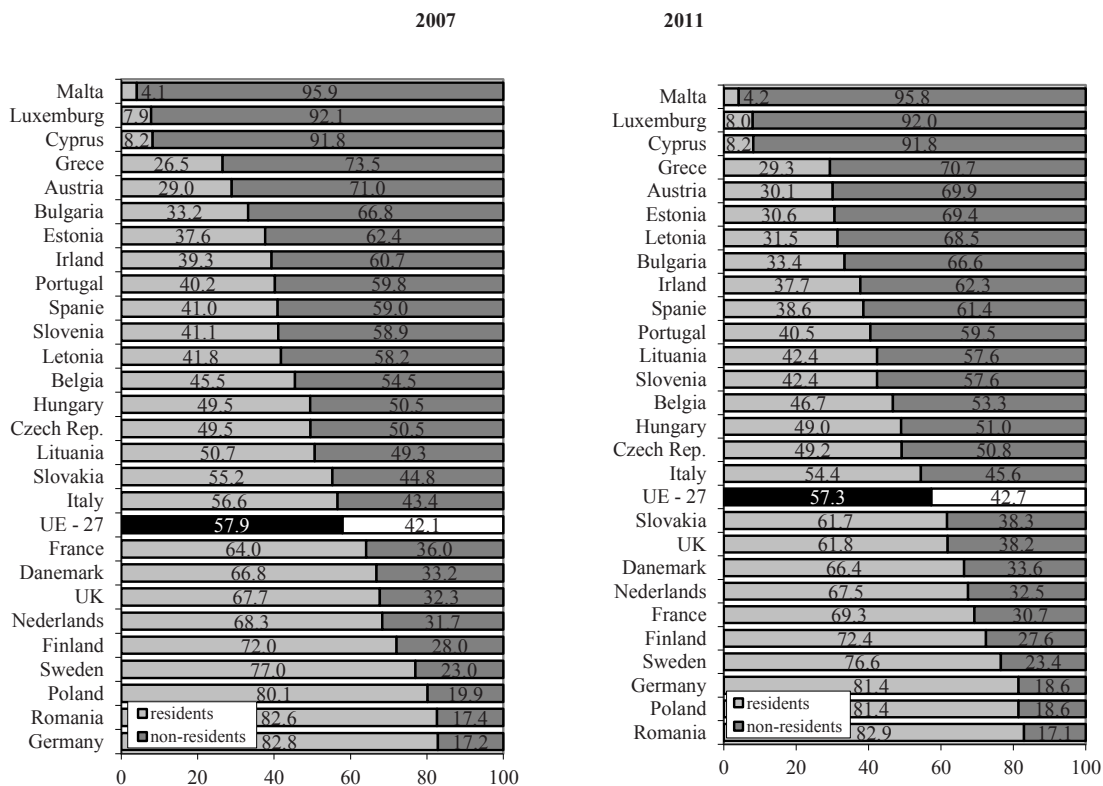


Fig. 7. The structure of the nights spent in total (%), EU-27
Source: own work based on data from Eurostat

Structure of the nights spent by the residence of tourists by States can be seen in Figure 7, noticing small differences occurred within five years. Romania falls also here in the ranking, from 26th place in 2007 to 27th place in 2011.

In these five years, the highest overall dynamics were recorded in: France (+32,5% overall, +43,4% for residents and +13,3% non-residents), Greece (+28% overall, +41,66% of residents and non-residents +0,7%), Estonia (+15,5% overall, -6,1% for residents and +28,6% non-residents) and Slovenia (+10, 9% overall, 14,3% for residents and non-residents -5,8%). From this point of view, Romania ranks last in the EU-27, registering a fall of 12,7% overall (-12,3% for residents and -1% non-residents). The highest dynamics for the number of overnight stays of non-residents were met in: Estonia (+28,6%), Italy (+25,1%), Germany (+15,8%), Spain (14,1%) , France (+13,3%), Portugal (+11,3%) and Ireland (+8,9%). Only 8 states recorded decreases in dynamics.

By total Union, the highest dynamics of overnight stays of non-resident tourists was observed in other accommodations (+12,5%) and not in hotels and similar establishments (+5%). In Romania, except for residents overnight stays in hotels, for all other chapters were recorded decreases in the five years.

Average length of accommodation calculated by total EU-27 in 2011 was 3,1 days / tourist, being higher for non-residents (3,7) than residents (2,1). With 2,6 days / tourist, Romania ranks 19 by total housing units, the average length of resident tourists of 2,7 days / tourist, from 2,0 days / tourist for non-residents.

In hotels and similar establishments the average length of stay for total Union in 2011 was 2,6 days / tourist, compared to 2,3 days / tourist in 2007, higher for non-residents (3,3 days / tourist) than for residents (2,1 days / tourist). Romania is ranked 14, just below the EU average, with 2,7 days / tourist resident and 2 days / tourist non-resident. By States, the situation can be seen in Figure 8.

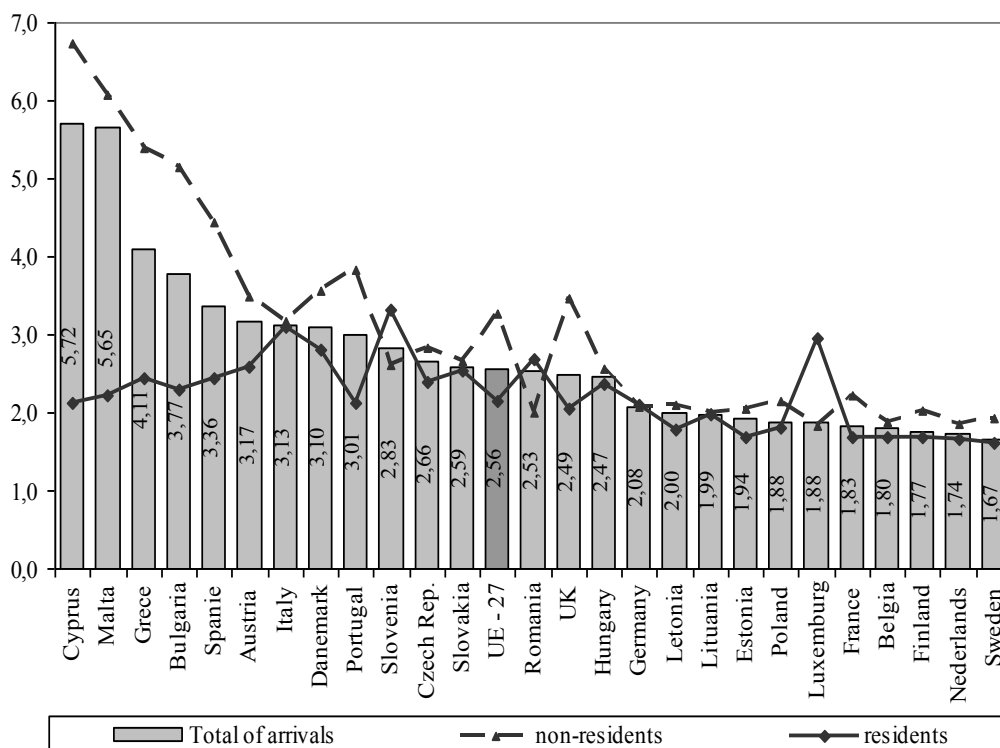


Fig. 8. The average overnight stay at a hotel and similar establishments in 2011, EU-27 (days/tourist)

Source: own work based on data from Eurostat

Only in three states the average length of stay in hotels is lower for non-resident tourists, including Romania.

From the analysis so far we have seen that Romania does not occupy an essential place in the Union tourism activity and its evolution in many instances recorded decreases compared to before accession or in the first year.

5. The evolution of tourism in Romania after the EU accession

From the analysis so far we have seen that Romania does not occupy an essential place in the Union tourism activity and its evolution in many instances recorded decreases compared to the year before accession or in the first year.

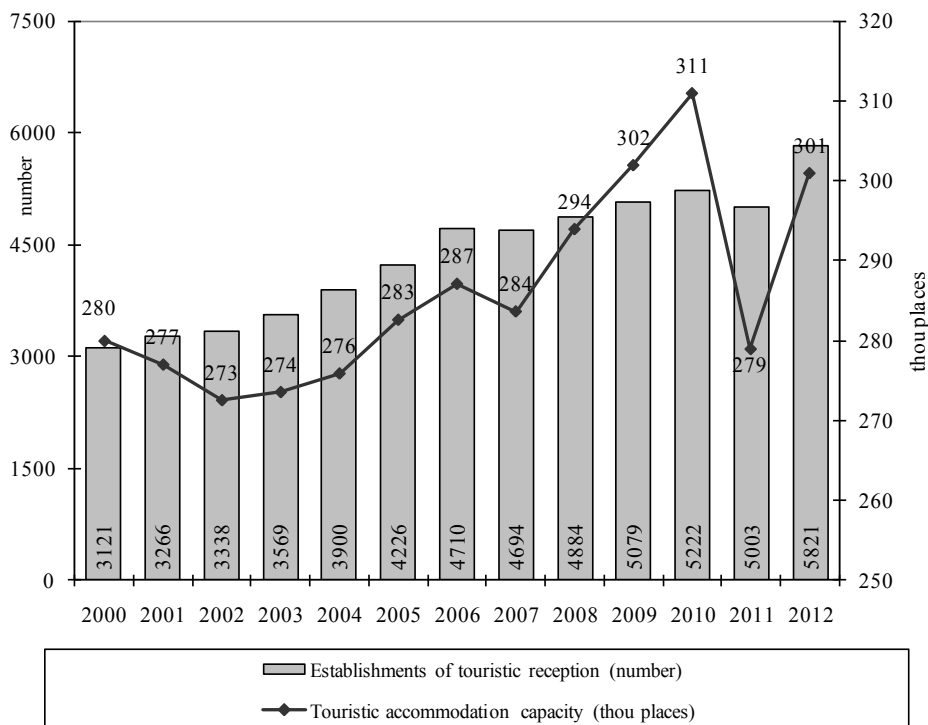


Fig. 9. The evolution of the number of establishments and the accommodation capacity in Romania
Source: own work based on data from I.N.S., Tempo online

As can be seen from Figure 9, the number of tourist accommodation structures generally showed an increase after 2000, except 2011. This meant that for the first five years after accession, Romania records a growth by 6,6% at this indicator, so that in 2012 to restore the relative growth to +24% compared to 2007, due to an absolute increase in the last year with 818 units total.

Accommodation capacity peaked in 2010, and in 2011 it experienced the largest decrease, -1,7% compared to 2007. In 2012, due to a number of 22.000 new accommodation places, the capacity is increasing by 6.1% compared to 2007.

The number of arrivals has seen growth in Romania until 2008, after which it decreased over the next two years and recovered at the end. Overall, the number of arrivals was with +0,9% in 2011 compared to 2007, but with +9,8% in 2012 compared to 2007 due to an additional 621.000 arrivals last year. Even if more tourists arrived in accommodation units, the number of nights experienced a 12,7% decrease in 2011 compared to 2007, so that in 2012 to be with -7,3% compared to the same year. Progress in 13 years can be seen in Figure 10.

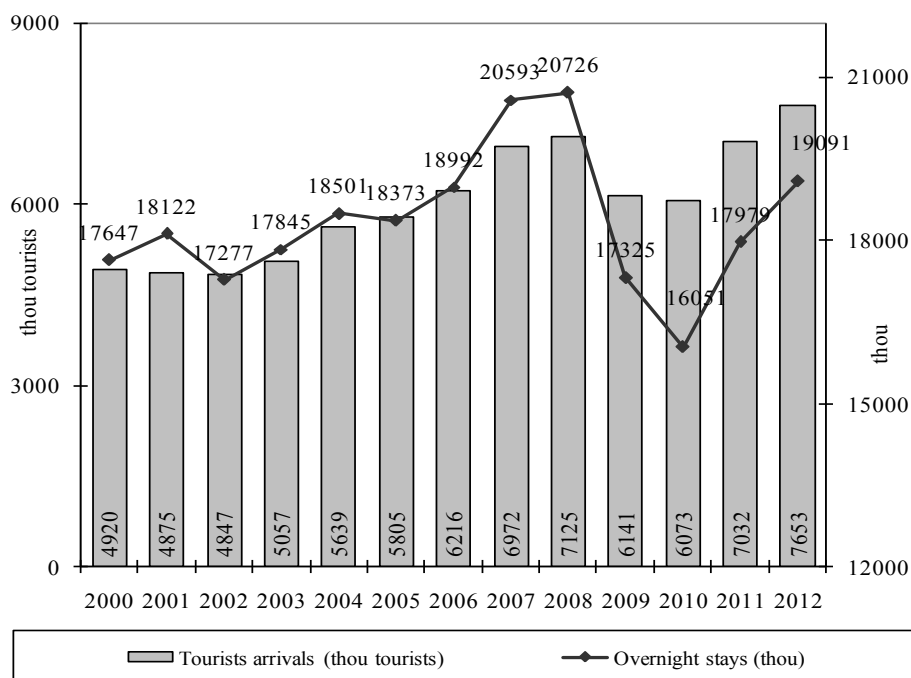


Fig. 10. The evolution of the number of arrivals and the nights spent in Romania

Source: own work based on data from I.N.S., Tempo online

The average length of stay in Romania was of 2,56 days / tourist in 2011, down from 2007 when it was 2,95 days / tourist. It continued to decline in 2012, reaching 2,49 days / tourist, due to the decrease in the number of overnight stays.

Share of total overnight stays for non-resident tourists in Romania decreased from 17,4% in 2007 to 17,1% in 2011 and stood for all these years from 15,4% to 17,4%. Of the total foreign tourist arrivals in Romania in 2011, 77,6% were in Bucharest and county municipalities, 6,4% in mountain, only 1,9% at the sea-side (from 3,8% in 2007), only 1,5% in the Danube Delta.

Unfortunately, the share of arrivals in the sea-side zone decreases also for Romanian tourists (from 13,6% in 2007 to 12,8% in 2011), as well as in the mountains (from 16,2% to 15,7%) or in recovery locations (from 13% to 12%), while in the Danube Delta is maintained around 1%.

Analyzing the number of visitors in Romania and registered at the frontiers, it decreases with 1,4% in 2011 compared to 2007. Most people that visit the country are from Europe (94,3%), of whom 61,2% were from EU countries. Most visitors are from neighbouring countries such as Hungary (20,3% of total) Moldova (17,5%), Bulgaria (10,5%), Ukraine (8,5%), followed by : Germany (5%), Italy (4,6%), Turkey (3,6%), Yugoslavia and Poland (3% each).

As noted, Romania lost tourist attraction in recent years not only against foreigners, but even among our nationals. Due to the accommodation and services offered to tourists, little changed in Romania compared to the price paid, due to generally unfavourable road infrastructure for tourism development, Romanians are turning more and more outside the country, where are found lower prices, or the same, for far superior services. The same way the Romanian seaside lost against net attractive offers covered by Bulgarian seaside, or against other States such as Greece, Cyprus, Egypt, Tunisia, or even France, Italy and Spain. Romanian tourists losses could not be compensated by foreign tourists, on the contrary, their number decreased.

Although advertising campaigns were conducted for Bucovina, mountain area or seaside, unless investments in infrastructure and design changes of owners for tourist accommodation structures are done, it is unlikely that it will

flourish. Generally owners of tourist facilities don't bring excessive improvements on accommodation, meals and entertainment, but instead excessive price rises during peak periods, which makes outside offers to be substantially more attractive. Probably there will be needed many years to come for Romania to become a real tourist industry for the economy, especially given its natural, historical, cultural and architectural wealth, which make us unbeatable.

6. Conclusions

Keeping in mind the crisis of recent years that has influenced the Union States, in general, the tourism activity showed positive dynamics as a whole and also in many member states. Countries with tradition in tourism continued to give a high importance to this sector of the economy, especially considering that globally speaking, by UNWTO estimates, incoming from tourism represent about 5% of GDP. In Romania, they are estimated to be only 0,7%, our country failing to improve its image among potential resident or non-resident tourists. If we would have expected that the mere accession to the EU to make our country more attractive, it seems that the effect was on the opposite side, in the sense that including Romanians who intend to opt for a tourist offer, more often choose to go abroad. After accession, Romanians have found the freedom to easily compare and choose. Once the tourist finds out that abroad can have a nice time with the same money or even less hardly will return to the old options, when they didn't have a choice. For this reason, it will require radical changes in the concept and quality of tourist services offered by Romanian accommodations, with adequate infrastructure to regain Romanian tourists or to attract new Romanian and foreign tourists for the economy to take advantage of the income that might come from this sector.

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